



Congressman Tom Udall



The President's budget is fiscally irresponsible, creating trillions of dollars in new deficits that threaten our economy and jeopardize the future of our children and grandchildren. The

Administration's fiscal recklessness is a tax on our future, creating a deficit in 2007 that is likely to top \$380 billion. The current administration has already taken a projected 10-year surplus of \$5.6 trillion and turned into a \$3.3 trillion deficit, and this budget continues this path of mortgaging the future of our children and grandchildren.

The budget underscores provides \$1.5 trillion in permanent tax cuts for the wealthy but only a one-year fix for middle-class families. The President's budget squanders \$1.5 trillion over the next 10 years on permanent tax breaks for the wealthy with nearly half the total tax cut going to Americans earning more than \$200,000. The budget contains only a one-year provision for Alternative Minimum Tax relief for middle-class families, even though an estimated 31 million taxpayers will be subject to significantly higher taxes by 2010 without AMT reform. [CNN, 11/10/05]

The budget cuts Small Business Administration funding by 30 percent, critically underfunding or eliminating many small business programs. Small businesses employ nearly half of all workers and create three out of four new jobs but the President cuts Small Business Administration funding for the sixth year in a row. The budget continues the elimination of appropriations for 7(a) small business loans and increases fees for every SBA lending program. The budget also eliminates the Microloan program and cuts \$20 million (or 16 percent) from programs designed to encourage entrepreneurial and economic development, including Small Business Development Centers and Women's Business Centers.

The budget slashes \$1.5 billion from community and regional development funding. The President's budget dramatically reduces funding for state and local programs that provide housing, employment counseling and training, and community development. The budget cuts \$736 million from the Community Development Block Grant (CDBG), a cornerstone of state and local community development -- instrumental in infrastructure development and affordable, accessible housing, and vital to natural disaster response assistance.

I believe there is a better way. I am seeking a new direction for America in which the interests of working families take priority over special interests. That is what is needed to bring real solutions to the American people, along with economic prosperity, a strong national defense, health care that works for everyone, fiscal responsibility, and strong public schools. America can do better than out-of-control deficits and misplaced priorities.